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THE MAGAZINE FOR GROWING COMPANIES

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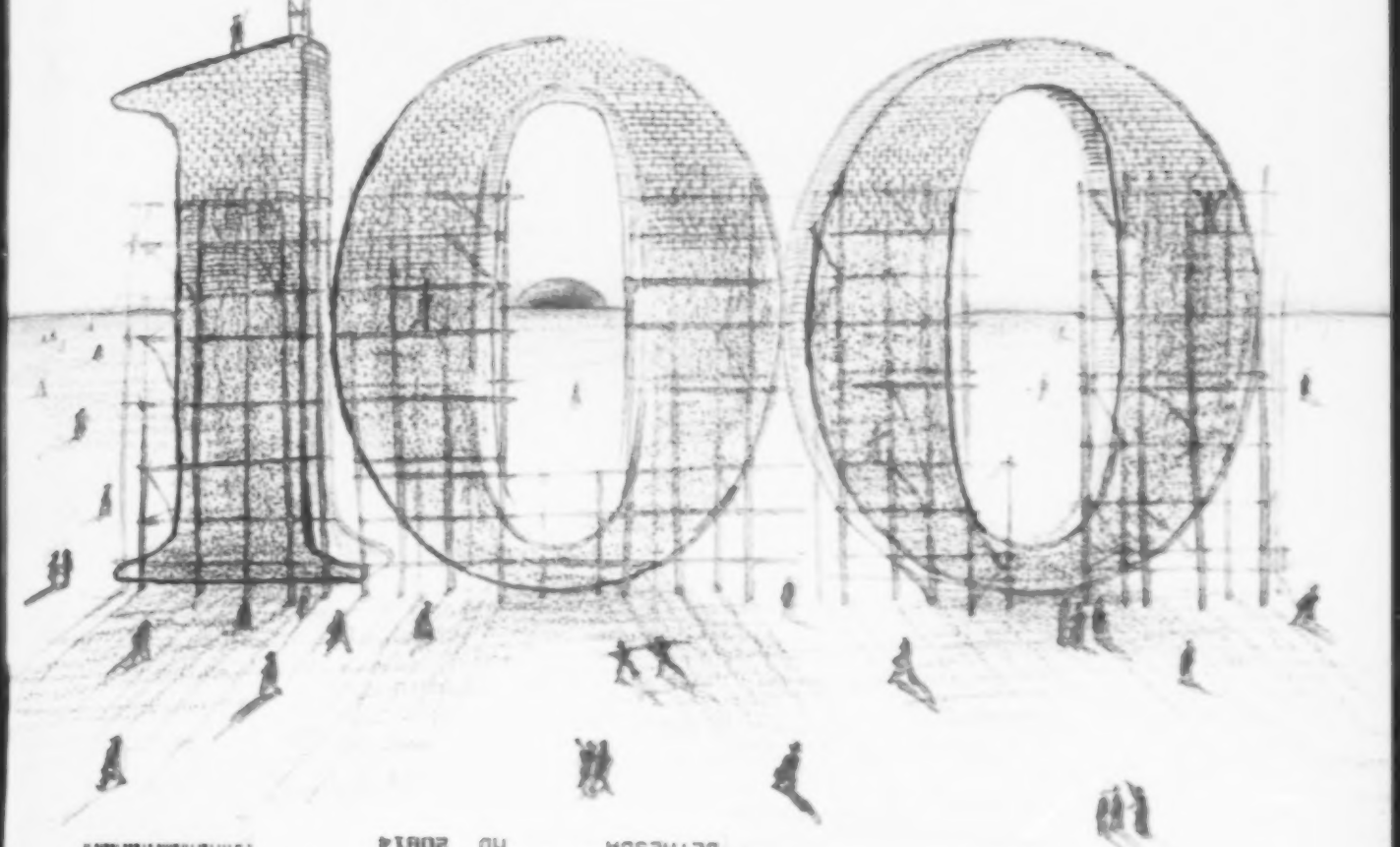
VENTURE CAPITALIST DON VALENTINE ON
THE FUTURE OF SILICON VALLEY

THE INC. 100 1985's FASTEST-GROWING SMALL PUBLIC COMPANIES



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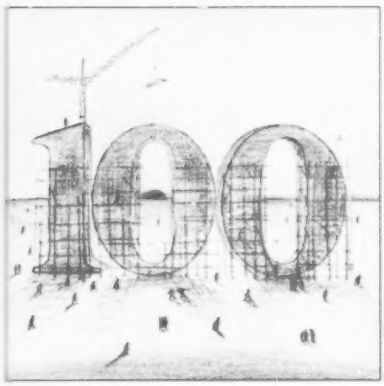

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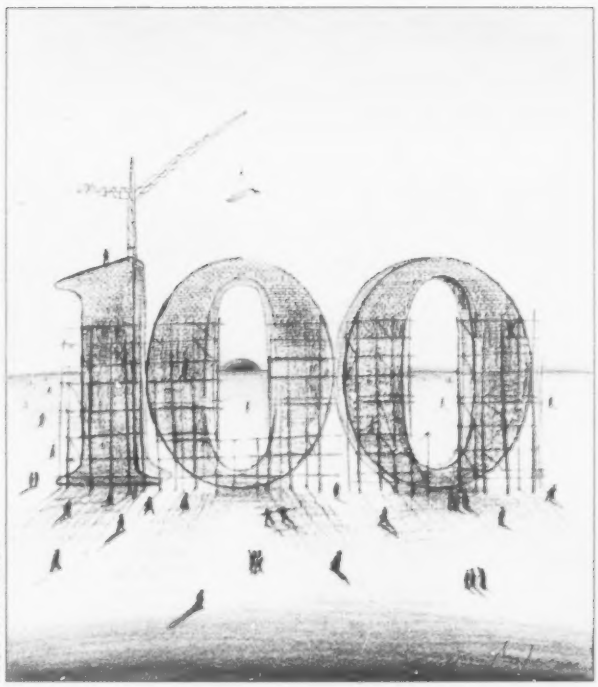
THE 1985 INC. 100

Introducing the fastest-growing public companies in America.

BY CURTIS HARTMAN



EUGENE MIHAESCO

Ten years ago, more than 80% of the companies on this year's INC. 100 list didn't exist. Five years ago, most were still in the start-up stage—small, struggling, and privately held. Today, they are in the front ranks of America's resurgent economy. If, as Ronald Reagan predicted last January, we are on the verge of a second American revolution, then the chief executive officers of the INC. 100 are the Minutemen of the 1980s, the growth leaders of the entrepreneurial age.

And quite an age it is. Although statistics on the subject are fuzzy, all the indicators point to a record number of new businesses created over the past several years. More to the point—since the INC. 100 includes only public companies—is the record number of initial public offerings. While the IPO rush slowed in 1984, with 550 companies raising $3.8 billion compared with 888 companies and $12.6 billion in 1983, the past two years have seen an extraordinary number of new entrants in the public equity markets: 39% more IPOs were issued in 1983 and 1984 alone than in the five preceding years. This year's ranking reflects that explosion. Thirty-three companies on the list went public during 1983, another 19 in 1984.

The 100 companies on this year's list are a testimony to the diversity of markets open to the American entrepreneur. Take James Busby, for example. A systems engineer with Scott Paper Co., he noticed there was no way to print big, easy-to-read labels for the company's huge paper rolls; working out of his bedroom, he developed a circuit board that enabled conventional computer-driven printers to do the job. Today, his company, QMS Inc. (#77), is a $32-million operation that makes intelligent controllers and interface equipment for printers. Or take Joe Corazzi. A one-time producer for public television in Wisconsin, he set up Telstar Corp. (#29) to distribute programming by satellite to hotels, cable systems, and commercial TV stations. A year ago, Telstar launched Country Music Television, a program modeled after the popular Music Television (MTV), and now transmits the program to about 8 million homes.

Overall, the ranking represents a diverse range of manufacturing, wholesaling, retailing, service, and energy-related companies, in 22 states. As in past years, companies in various branches of the computer business dominate the list, spanning a range from integrated-circuit manufacturers to personal computer retailers. Health-related companies are well represented, too; they include biotechnology labs, medical equipment makers, and operators of health care facilities. There are six restaurant companies, five air carriers, and seven oil and gas explorers. Looking for unusual businesses? One company on the list makes pickup truck–bed liners, another sells art-deco sculpture. Five former members of the INC. 500, this magazine's annual ranking of private companies, were able to earn places on this year's list; so were 36 alumni of the 1984 INC. 100 (see "What Ever Happened to the Class of '84?" page 61).

What all these companies have in common, of course, is a phenomenal rate of growth. Companies on the list are ranked by their percentage increase in sales from 1980, the base year, through 1984. Over that five-year period, total revenues of the 100 soared 2,260%, a compound annual growth rate of 120%. To grasp the meaning of such numbers, consider the fact that five years ago, the 100 companies averaged $2.3 million in sales, with only five topping $10 million. Today, the same compa-

INC. 100: Overview

Number of companies by industry	
Manufacturing	53
Service	30
Mining (including oil and gas)	6
Wholesale and distribution	6
Retail	5
Total sales 1984 (million)	$5,462
Change (1980–84)	+2,260%
Change (1983–84)	+64%
Total net income 1984 (million)	$179.5
Total net income 1980 (million)	($22.8)
Median sales 1984 (million)	$27.11
Median sales 1980 (million)	$0.84
Comp. annual sales growth rate (1980–84)	
Total sales	120.42%
Range	85.56%–466.61%
Net income as a % of sales (1984)	
Range	loss to 0.12%–40.51%
Median	4.07%
No. acquiring other companies (1980–84)	44
No. incorporating since 1975	84
Median number of employees	
1984	254
1980	30
Change 1980–84	746.67%

THE TOP 10: Productivity

Company (rank)	Sales per employee ($000)*
Micro D (38)	$580.1
Pope, Evans & Robbins (73)	472.1
Bay Pacific Health (57)	451.6
Telepictures (91)	420.0
Centuri (45)	375.0
Walker Telecommunications (13)	356.2
Reid-Ashman (35)	280.1
Helm Resources (43)	271.3
Tandon (67)	258.6
Convergent Technologies (1)	229.6

*Excludes capital-intensive energy developers and companies whose primary business is leasing or real estate.

THE TOP 10: Sales

Company (rank)	Sales ($000)
Tandon (67)	$400,793
Convergent Technologies (1)	361,772
Home Depot (33)	256,184
American Healthcare Mgmt. (58)	255,000
AGS Computers (90)	226,000
Pope Evans & Robbins (73)	196,856
Chi-Chi's (71)	161,706
Xebec (87)	157,700
Centuri (45)	150,000
Endevco (9)	138,420

TOP 10: Profitability

Company (rank)	Net income as % of sales
HCW (74)	40.51
Micron Technology (4)	33.16
G. D. Ritzy's (12)	31.17
Enzo Biochem (41)	25.30
Genex (80)	21.26
Reid-Ashman (35)	20.75
Hogan Systems (20)	19.49
Lee Data (6)	17.83
Information Resources (92)	17.06
C. P. Rehab (49)	16.73

THE TOP 10: New Employees

Company (rank)	1980 empl.	1984 empl.	% growth
American Healthcare (58)	49	5,700	11,533
Buffton (3)	7	700	9,900
Micron Technology (4)	15	958	6,287
Fuddruckers (15)	17	1,079	6,247
Durakon Industries (39)	6	311	5,083
ComputerCraft (8)	12	615	5,025
Expeditors Int'l. (2)	5	225	4,400
3Com (22)	4	136	3,300
Page America Group (55)	6	175	2,817
G. D. Ritzy's (12)	5	140	2,700

WHERE THE INC. 100 ARE BASED

State	1985	1984
California	27	27
Texas	14	8
New York	12	5
Colorado	5	7
Georgia	5	4
Minnesota	5	4
Massachusetts	4	8
Maryland	4	3
Ohio	4	1
New Jersey	3	8
Oklahoma	3	0
Michigan	3	0
Illinois	2	2
Connecticut	1	4
Pennsylvania	1	3
Kentucky	1	1
Washington	1	1
Florida	1	1
Alabama	1	1
North Carolina	1	1
Utah	1	0
Idaho	1	0

nies' average volume is $54.6 million, and well over half top $25 million. Every company on this year's list registered more than a tenfold increase in sales, right down to Novan Energy Inc. (#100), a Boulder, Colo., manufacturer of solar water heating systems. The leader—Convergent Technologies Inc. (#1), a San Jose, Calif., manufacturer and distributor of computer systems—recorded a whopping 102,969% increase despite its many troubles (see "New Faces of 1985," page 72). From 1983 to '84 alone, the INC. 100 chalked up a vigorous 64% sales growth.

Reflecting the current economic boom, this year's INC. 100 companies are the fastest-growing group in the seven-year history of INC.'s list. They are also the youngest and the largest.

Last year, for example, the average five-year growth rate for members of the list was 2,030%; in the past six years the rate averaged 1,149%. Last year's cutoff point was 783%. This year's was 1,086%, a figure that would have disqualified 26 members of 1984's list.

On average, the 1985 INC. 100 companies have been in business for 10 years, with more than half founded since 1978. To be sure, a company's age can be deceptive. Pope, Evans & Robbins Inc. (PER, #73), for example, is the second-oldest company on the list. Founded in 1926 as an energy engineering firm, it changed direction with its 1980 acquisition of a company that made protective garments for the Department of Defense. Today, PER makes fabric for luggage, swimwear, and rainwear as well, and has diversified into knitwear. Thanks to the repositioning, it has a five-year sales increase of 1,535%.

In 71 of the companies the original founder still serves as CEO, a 10% decrease in founder control from the 79 CEO-founders heading up last year's members. Founders hold an average of 17% of the equity, a drop from the 20% of last year. Whether a founder or an import, however, all but 1 of the 100 CEOs hold at least some equity in his or her company. The exception? James R. Kanely of Byers Communications Systems Inc. (#60), who holds an option on 5.6% of the company's stock.

While the companies in the class of 1985 are the youngest in the ranking's history, they are nonetheless significantly larger than in past years. The average sales volume of 1985's companies is $54.6 million, up considerably from last year's average of $44.6 million and the historical average of $46.4 million over the first six years of the listing. Disk-drive manufacturer Tandon Corp. (#67), a five-year veteran of the 100 and last year's runner-up for total sales, is the volume leader for 1984, with $400.8 million in sales. Con-

vergent Technologies ranks next at $361.8 million, while another 15 companies have also passed the $100-million mark. Roughly half of these sales leaders are in computers or computer-related businesses; the rest are drawn from a variety of industries.

Taken as a group, this year's 100 companies registered $77,773 in sales per employee, down 12% from last year's $88,116, but 9% over the historical figure of $71,251. Who are the leaders? Excluding the highly capital-intensive oil and gas companies on the list, the productivity winner is Micro D Inc. (#38), a Santa Ana, Calif., distributor of microcomputer software, with $580,000 in sales per employee; the runners-up are PER, with $472,000, and Bay Pacific Health Corp. (#57), with $452,000. In general, of course, productivity varies enormously by industry. The seven oil and gas companies averaged $238,000 in sales per employee, while the six food-service companies averaged only $16,000.

These productivity figures have been achieved despite rising payrolls. On average, each company on the list employs 702 workers, a 347% increase in employment over the past five years. In the past year alone, the average company has added 245 workers, an increase of 54%. Dallas-based American Healthcare Management Inc. (#58) experienced the largest percentage gain, swelling from 49 to 5,700 employees over the past five years. Not every company is adding jobs, however. Sales leader Tandon saw employment drop from 3,000 in 1983 to 1,550 in 1984, due largely to plant consolidation and the shift of much of the company's manufacturing to Singapore.

The members of 1984's INC. 100 show a somewhat ragged bottom line. As a group, the 100 companies were unprofitable five years ago, with more than half indicating red ink on their P&Ls. That re-

WHAT EVER HAPPENED TO THE CLASS OF '84?

Looking back, the most remarkable thing about the class of 1984 is its staying power: Last year's growth leaders are mostly still growing.

Led by ComputerCraft Inc., the computer retailer that ranks #8 this year, and by Endevco Inc., the oil and gas company that ranks #9, 36 of the 1984 INC. 100 companies graduated to the 1985 list. Of those 36, 7 moved up in the rankings, 1 stayed in the same place, and 28 moved down.

The higher growth rate required to qualify for this year's list—the highest, in fact, in the seven-year history of the ranking—was the major cause of attrition among the '84 alumni. Forty-one companies from last year's list reported continuing sales growth but were unable to reach 1985's 1,086% cutoff. Among these were 4 with a five-year-growth rate of more than 1,000%—Helionetics, BSN, Cincinnati Microwave, and United States Health Care Systems—plus another 14 with growth rates over last year's cutoff of 783%.

Only 14 companies didn't make the list because their sales fell in 1984. Applied Circuit Technology Inc., a manufacturer of testing equipment for hard-disk drives, and Onyx-IMI Inc., which makes the drives themselves, both saw sales drops of more than 30%. The biggest loser was Chemfix Technologies Inc., a Louisiana-based processor of hazardous and nonhazardous wastes, with sales off 44%. The villain in this case, says Chemfix president Daniel Silverman III, was government regulation. One $4-million program in Maryland was canceled because Chemfix couldn't get the last in a long list of permits required to transport its sludge-treatment product, while a $7-million refinery waste program was held up by regulatory delays. Silverman remains optimistic, however, convinced that tougher government regulation will eventually work to his company's benefit.

Two companies from 1984's list were disqualified because their sales for the base year of 1980 fell below the $100,000 cutoff. Ciprico Inc., last year's #37, saw its sales drop from $145,000 in 1979 to $89,000 in 1980, although by 1984 it was up to $7.6 million. The Forum Group Inc., the health-care company that was last year's #98, witnessed an even more dramatic drop; thanks to a financial restatement, it went from $9.8 million in 1979 to only $47,000 in 1980. But Forum also recorded the most spectacular growth of any company considered, soaring to almost $116 million in 1984, a 246,302% increase. Were it not for the disqualification, Forum would have topped this year's list.

Three other companies from 1984 were counted out because their sales in 1980 were already over the $25-million mark. BRAE Corp., the transportation/leasing company that ranked #1 in 1983 and #11 last year, grew from $30.2 million in 1980 to $485 million in 1984. NBI Inc., a manufacturer of word-processing systems that has appeared on the list every year since 1980, went from $33 million in 1980 to $177 million in 1984, a 442% growth rate. Diasonics Inc., the medical imaging company that ranked #27 last year, was up to $35.6 million in sales by 1980 and more than $135 million by 1984.

Only one company from last year's roster was acquired. By September 1984, 51% of Independence Health Plan Inc.'s stock had been sold to Great West Hospitals Inc. It was partly a marriage of necessity: One of the early investors in Independence was searching for a way to cash out. But, says Independence's president M. Donald Kowitz, it was a positive strategic move as well. Independence (last year's #7) remains separate, with its management team intact; by joining with Great West, Kowitz says, it gains national marketing potential and additional financial resources.

Finally, the class of '84 was not without its dramatic casualties. The crash of Pizza Time Theatre Inc.—which, when it filed for Chapter 11 in March 1984, left 5,000 creditors and more than $100 million in debts—has been widely chronicled (see INC., October 1984, page 82). Nautilus Enviromedical Systems Inc., although it was still registering a high rate of growth at the end of 1984, filed for protection in early 1985.

Then there was Psych Systems Inc., a Baltimore developer of computerized psychological testing systems, which came within a hairbreadth of staying alive. Psych Systems had been suffering from sharply higher operating costs, declining sales, and write-offs for bad debts. Last June, Charter Medical Corp. bought out three of the company's six directors and announced plans to acquire all remaining outstanding stock at $5 a share. In September, however, Charter replaced its $5 offer with a $1.50 per-share bid. Finally, in October, it rescinded even that offer, a change of heart attributed to accounting discrepancies and poor prospects for renewal of the company's testing license. On October 24 time ran out: The company had to file for protection under Chapter 11.—*Curtis Hartman*

cord has improved significantly, although at the end of fiscal 1984, roughly one-quarter were still wrestling with deficits. Their total net profit was a modest 3.29% of sales. Topping the profit makers for the second straight year was HCW Inc. (#74), with net income of 41% of sales. (That figure is slightly "misleading," however, says president John Plukas, thanks to a $2-million reimbursement for overhead to the company from HCW's managed oil and gas partnerships.) The biggest loser was Masstor Systems Corp. (#34), with a net loss of $17.4 million.

Pegging the INC. 100's return on equity is difficult. Small growth companies in general are highly leveraged, and the companies on the list are no exception. Substantial change in equity due to new stock issues, coupled with the idiosyncrasies of calculating return ratios, further muddy the figures. By INC. estimates, however, the ROE for profitable companies on this year's list comes to 21%, ranging from the 566% chalked up by Nutri-Foods Int'l. Inc. (#61) to the .4% registered by Fuddruckers Inc. (#15).

While the majority of the INC. 100 expanded internally during the 1980–84 period, acquisitions played a role in the growth of 44 others, including 8 companies with more than five purchases in the past five years. Healthdyne Inc. (#37), a Georgia maker of electronic medical equipment, was the acquisition leader, with 17 purchases in the past five years. For AGS Computers Inc. (#90), with 10 acquisitions, the goal was to gain market share by adding functional skills and geographic reach. Generally, companies in the medical and health care fields were the most aggressive acquirers; American Healthcare Management, for example, added almost 40 facilities by acquisition.

Because of the requirements for membership on the list (See "How the INC. 100 Are Selected") not every fast-growing company is eligible for membership. Some faces to watch for future years are companies with a growth history that began after 1980. These include Allnet Communication Services Inc., a Chicago-based long-distance telephone service with a 15,064% revenue gain between 1981 and 1984; Ashton-Tate, a Culver City, Calif., software producer with a 9,146% gain; and AST Research Inc., an Irvine, Calif., manufacturer of personal-computer add-ons with a 16,055% increase.

And there are some faces that you will never see: Their growth in the first year vaulted them out of the small company category entirely. In the latter group are such high flying companies as Compaq Computer Corp. and People Express Airlines Inc. □

HOW THE INC. 100 ARE SELECTED

The INC. 100 ranks companies by their percentage increase in revenues over the past five years—in this case, 1980–84. To be included on the list, each company must meet the following criteria:

1. The company is an independent corporation in a manufacturing, mining, wholesaling, retailing, or service industry. Banks, other financial institutions, and utilities are excluded.
2. The company was publicly held as of December 31, 1984.
3. The company shows an operating/sales history of at least five years, with growth during its 1984 fiscal year. Companies showing growth in the 1980–84 base period but a sales decline in the last year are excluded.
4. The company's 1980 sales were at least $100,000 but no more than $25 million.

INC.'s research staff gathers preliminary data on companies from prospectuses, 10-Ks, annual reports, and various directories, supplementing this data with information from a wide array of newsletters, trade magazines, and other business publications. By applying the four criteria listed above, and by using a five-year growth cutoff of 400%, INC. reduced the number of potential qualifiers for the list to 302. Among those screened were 550 companies that went public in 1984.

Once the list was narrowed, INC. conducted telephone interviews with executives of each qualifying company to verify the figures.

An editorial team led by assistant research editor Sara Baer-Sinnott and senior research editor Elyse M. Friedman selected the 1985 INC. 100. They were assisted by Bradford W. Ketchum III, William Kilbourne III, Nancy McMillan, Andrew McSherry, Lucinda Sholley, and Linda Webster. The published material is the only information INC. will make available.

INC. 100 INDEX

Company (rank)
AGS Computers (90)
Action Packets (68)
Altos Computer Systems (94)
American Healthcare Mgmt. (58)
American Solar King (84)
Atlantic Southeast Airlines (64)
Automatix (27)
Avant-Garde Computing (52)
B. I. (65)
BSD Medical (51)
Bay Pacific Health (57)
Bogert Oil (86)
Buffton (3)
Byers Communications Systs. (60)
C. P. Rehab (49)
Carriage Industries (98)
Centuri (45)
Chi-Chi's (71)
Collagen (16)
Columbine Exploration (66)
Comair (97)
CompuShop (56)
ComputerCraft (8)
Consul Restaurants (19)
Convergent Technologies (1)
Corvus Systems (46)
Data Switch (62)
Datasouth Computer (88)
Durakon Industries (39)
Empi (54)
Emulex (70)
Endevco (9)
Enzo Biochem (41)
Expeditors Int'l. of Washington (2)
Fibronics International (40)
FilmTec (14)
Fine Art Acquisitions (23)
Fuddruckers (15)
G. D. Ritzy's (12)
Genex (80)
HCW (74)
Healthdyne (37)
Helm Resources (43)
Hogan Systems (20)
Home Depot (33)
Home Health Care of America (25)
Hybritech (10)
IDEA (47)
Inacomp Computer Centers (83)
Info Designs (81)
Information Resources (92)
Information Solutions (99)
Intertrans (75)
Kaypro (30)
Kelly-Johnston Enterprises (69)
Lee Data (6)
Lomak Petroleum (85)
Marquest Medical Products (72)
Masstor Systems (34)
Micro D (38)
MicroPro International (26)
Micron Technology (4)
Nelson Research & Devel. (79)
Novan Energy (100)
Nutri-Foods Int'l (61)
One Potato Two (11)
Page America Group (55)
Pinetree Computer Systems (42)
Plains Resources (53)
Pope, Evans & Robbins (73)
Protocol Computers (24)
Publishers Equipment (63)
QMS (77)
Quest Medical (48)
Reid-Ashman (35)
Satelco (5)
Savoy Industries (28)
Servamatic Systems (32)
Simmons Airlines (18)
StarTel (44)
Sulcus Computer (50)
TVI Energy (31)
Tandon (67)
Telco Systems (89)
Telepictures (91)
Telstar (29)
Tender Loving Care (78)
3Com (22)
Total Assets Protection (59)
Tranzonic (96)
U.S. Design (17)
Ungermann-Bass (7)
Vector Automation (95)
Video Connection of America (82)
Walker Telecommunications (13)
Xebec (87)
Yankee (93)
Zitel (76)
Ziyad (21)
ZyMOS (36)

Rank '85	Rank '84	Company	Sales growth (1980–84) Percent increase	Sales growth (1980–84) Compound annual rate	Sales ($000) '84	Sales ($000) '80	Net income ($000) '84	Net income ($000) '80
1		**CONVERGENT TECHNOLOGIES** (San Jose, CA)	102,969%	467%	$361,772	$351	($13,827)	($3,365)
2		**EXPEDITORS INTL. OF WASHINGTON** (Seattle)	32,187	324	51,013	158	2,113	32
3		**BUFFTON** (Fort Worth)	26,128	302	43,277	165	2,891	16
4		**MICRON TECHNOLOGY** (Boise, ID)	22,828	289	87,355	381	28,969	(38)
5		**SATELCO** (San Antonio)	17,356	263	43,116[i]	247	(854)[9]	(513)
6		**LEE DATA** (Eden Prairie,MN)	15,545	254	98,720	631	17,600	(1,433)
7		**UNGERMANN-BASS** (Santa Clara ,CA)	11,896	231	52,302	436	6,287	(1,215)
8	14	**COMPUTERCRAFT** (Houston)	11,602	229	94,084	804	266	(93)
9	1	**ENDEVCO** (Dallas)	11,108	225	138,420	1,235	2,785	271
10		**HYBRITECH** (San Diego)	9,323	212	33,827	359	1,118	(2,039)
11		**ONE POTATO TWO** (New Hope, MN)	9,170	210	9,270	100	151	NA
12		**G. D. RITZY'S** (Columbus, OH)	9,124	210	13,928	151	4,341	(122)
13		**WALKER TELECOMMUNICATIONS** (Plainview, NY)	8,684	206	26,000[c]	296	2,500[c]	93
14		**FILMTEC** (Minneapolis)	7,753	198	9,266	118	1,525	(375)
15		**FUDDRUCKERS** (San Antonio)	7,532	196	24,500	321	30	(54)
16		**COLLAGEN** (Palo Alto, CA)	6,995	190	14,687	207	1,810	(2,018)
17		**U. S. DESIGN** (Lanham, MD)	6,720	187	8,388	123	(881)	(222)
18		**SIMMONS AIRLINES** (Chicago)	6,530	185	24,264	366	1,379	(79)
19	6	**CONSUL RESTAURANTS** (Minneapolis)	6,505	185	63,742	965	2,343	(520)
20		**HOGAN SYSTEMS** (Dallas)	6,451	184	36,422	556	7,098	(558)
21		**ZIYAD** (Denville, NJ)	6,070	180	22,519	365	2,559	(25)
22		**3COM** (Mountain View, CA)	5,826	177	16,652	281	2,290	10
23		**FINE ART ACQUISITIONS** (New York City)	5,567	174	10,200[c]	180	575[9]	(165)
24	13	**PROTOCOL COMPUTERS** (Woodland Hills, CA)	5,174	169	15,822	300	884	4
25	25	**HOME HEALTH CARE OF AMERICA** (Newport Beach, CA)	4,680	163	49,711	1,040	1,398	(212)
26		**MICROPRO INTERNATIONAL** (San Rafael, CA)	4,393	159	66,945	1,490	5,795	31
27		**AUTOMATIX** (Billerica, MA)	4,367	159	20,058	449	(14,193)	(1,411)
28		**SAVOY INDUSTRIES** (New York City)	3,979	153	124,300	3,047	3,000[e]	(240)
29		**TELSTAR** (Los Angeles)	3,835	150	8,500[c]	216	(253)[9]	58
30	42	**KAYPRO** (Solona Beach, CA)	3,691	148	119,564	3,154	(268)	(148)
31	46	**TVI ENERGY** (Beltsville, MD)	3,626	147	3,950[c]	106	180[c]	(1,104)
32	18	**SERVAMATIC SYSTEMS** (San Ramon, CA)	3,578	146	73,600	2,001	5,200	15
33	26	**HOME DEPOT** (Atlanta)	3,547	146	256,184	7,025	10,261	(930)
34	41	**MASSTOR SYSTEMS** (Santa Clara, CA)	3,542	146	26,261	721	(17,382)	(4,400)
35		**REID-ASHMAN** (Santa Clara, CA)	3,402	143	4,202	120	872	23
36	35	**ZYMOS** (Sunnyvale, CA)	3,263	141	19,305	574	(12,864)	(741)
37	5	**HEALTHDYNE** (Marietta, GA)	3,128	138	136,633[i]	4,233	(6,716)	490
38		**MICRO D** (Santa Ana, CA)	3,121	138	114,274	3,548	708	62
39		**DURAKON INDUSTRIES** (Lapeer, MI)	3,094	138	27,850	872	2,859	65
40	45	**FIBRONICS INTERNATIONAL** (Hyannis, MA)	3,087	138	13,097	411	1,072	(109)
41		**ENZO BIOCHEM** (New York City)	2,981	136	5,115	166	1,294	(19)
42		**PINETREE COMPUTER SYSTEMS** (Dallas)	2,772	131	4,222	147	131	(298)
43		**HELM RESOURCES** (New York City)	2,723	130	70,000[c]	2,480	(3,159)[9]	111
44		**STARTEL** (Irvine, CA)	2,473	125	10,033	390	638	(168)
45	39	**CENTURI** (Binghamton, NY)	2,440	124	150,000	5,906	(542)[9]	(4,525)
46		**CORVUS SYSTEMS** (San Jose, CA)	2,214	119	50,540	2,184	(10,623)	59
47		**IDEA** (Torrance, CA)	2,184	119	4,362	191	574	35
48		**QUEST MEDICAL** (Carrollton, TX)	2,132	117	7,500[c]	336	(1,500)	(394)
49	69	**C. P. REHAB** (New York City)	2,055	115	20,627	957	3,450	235
50		**SULCUS COMPUTER** (Greensburg, PA)	2,053	115	2,153	100	250[e]	0

NA: 12 month figure not available at press time; NM: negative return on equity; i: INC. estimate; c: company estimate; 9: nine-month figure

Shareholder Equity '84	Return on equity	No. of employees '84	'80	Acquisitions '80 - '84	Date inc.	Date public	CEO founder	CEO equity %	Business description
$213,148	NM	1576	76	0	1979	1982	N	2	Mfr. computers & computer systs.
80,693	138.01	225	5	1	1979	1984	Y	22	International air freight forwarding
12,780	39.73	700	7	3	1980	1981	Y	12	Mfr. of pvc pipes & fittings, electrical cables
89,307	237.18	958	15	0	1978	1984	Y	3	Mfr. DRAM components for microcomputers
NA	NA	242	29	0	1980	1983	Y	40	Telecommunications svc.
82,009	29.88	1156	85	0	1979	1982	Y	3	Mfr. display interactive terminal systs.
54,185	13.28	493	25	1	1979	1983	Y	9	Supplier of local area network systs.
8,968	14.17	615	12	7	1977	1983	N	2	Operator of retail computer stores
12,516	29.99	72	20	0	1977	1983	Y	17	Oil & gas exploration/development
48,199	2.50	526	73	0	1979	1981	N	3	Developer of medical prods.
7,759	9.04	91	8	0	1976	1983	N	25	Quick-service restaurants
7,714	36.14	140	5	0	1979	1982	Y	31	Quick-service restaurants
NA	25.94	73	3	1	1978	1983	Y	17	Dist. business telephones
15,598	61.00	139	24	0	1977	1979	Y	4	Mfr. membranes for water desalination
14,000	0.40	1079	17	0	1979	1983	N	4	Operator/franchisor of restaurants
38,301	4.93	220	80	0	1977	1981	N	5	Developer of biomedical products
10,044	NM	84	4	0	1978	1981	Y	6	Mfr. information storage systs.
10,096	38.66	521	60	0	1974	1984	N	28	Regional airline
27,391	9.77	5500	200	2	1978	1980	N	2	Operator/franchisee of Chi-Chi's restaurants
44,484	38.68	419	38	1	1977	1982	N	4	Developer of software for financial institutions
16,500	35.62	335	44	0	1979	1983	Y	8	Mfr. microprocessor-based paper feed for printers
19,608	88.01	136	4	0	1979	1984	N	7	Mfr. local area network systs.
3,800c	17.76	90	10	0	1980	1983	Y	51	Marketer of original art to galleries
11,254	8.55	134	9	0	1976	1983	Y	52	Dist. protocol conversion products
57,762	2.77	422	25	3	1979	1982	Y	3	Provider of specialized medical svc./prod.
28,218	64.71	384	65	0	1978	1984	N	1	Software developer
10,858	NM	380	54	0	1980	1983	Y	6	Mfr. robotics & artificial vision systs.
8,000c	50.80	1950	1025	3	1947	1967	N	1	Mfr. toys & apparel
NA	NA	50	10	3	1979	1982	Y	13	Dist. via satellite of in-room TV to hotels
39,631	NM	600	50	0	1953	1983	Y	66	Mfr. computer hardware
NA	11.12	44	29	0	1977	1981	N	4	Mfr. radiant heating panels
9,000	133.50	3000	110	0	1973	1982	Y	69	Marketer of residential solar heating units
65,278	15.72	4500	500	1	1978	1981	Y	8	Operator of retail bldg. material stores
32,763	NM	204	68	1	1976	1983	N	1	Developer of information mgmt. systs.
3,619	121.79	15	3	0	1980	1984	N	33	Mfr. equipment for testing integrated circuits
15,096	NM	300	66	0	1978	1983	Y	7	Mfr. integrated circuits
NA	NA	2000	400	17	1970	1981	Y	9	Mfr. electronic medical equipment & devices
29,284	2.48	197	8	0	1979	1983	Y	51	Dist. microcomputer equip.
9,358	225.83	311	6	3	1979	1984	Y	63	Prod. of pickup truck bed liners
8,395	14.64	340	50	0	1977	1983	Y	10	Mfr. fiber optics communications
19,275	7.23	68	28	0	1976	1980	Y	12	Developer of prods. using genetic engineering
2,599	NM	50	7	0	1979	1983	N	4	Mfr. data storage communication systs.
NA	NA	258	140	7	1954	1980	N	7	Mfr. automatic agricultural equip.
5,600c	12.66	92	9	0	1980	1983	Y	21	Mfr. telecommunication processors
NA	NA	400	120	1	1968	1981	N	3	Mfr. video games
31,727	NM	475	75	0	1979	1981	Y	10	Mfr. local area network systs.
2,896	24.73	98	10	0	1979	1983	Y	32	Mfr. automated test equip. for integrated circuits
14,400	NM	180	32	1	1979	1981	Y	9	Mfr. medical equip.
48,543	7.80	154	13	3	1972	1980	Y	3	Provider of mgmt. svc. to cardiac rehab. centers
2,870c	29.80	55	3	1	1979	1984	Y	67	Dist. computer systs. to law & land title firms

Rank '85	Rank '84	Company	Sales growth (1980–84) Percent increase	Sales growth (1980–84) Compound annual rate	Sales ($000) '84	Sales ($000) '80	Net income ($000) '84	Net income ($000) '80
51		**BSD MEDICAL** (Salt Lake City)	2,018	115	2,817	133	(1,243)	(790)
52	72	**AVANT-GARDE COMPUTING** (Mt. Laurel, NJ)	1,972	113	15,396	743	1,434	(397)
53		**PLAINS RESOURCES** (Oklahoma City)	1,958	113	10,782	524	804	(223)
54		**EMPI** (Findley, MN)	1,885	111	6,293	317	169	(290)
55		**PAGE AMERICA GROUP** (New York City)	1,851	110	5,287	271	(4,895)	(263)
56		**COMPUSHOP** (Dallas)	1,817	109	44,100	2,300	1,393	0
57		**BAY PACIFIC HEALTH** (San Bruno, CA)	1,809	109	36,124[i]	1,892	704[9]	94
58		**AMERICAN HEALTHCARE MANAGEMENT** (Dallas)	1,806	109	255,000[c]	13,378	9,500[e]	567
59		**TOTAL ASSETS PROTECTION** (Arlington, TX)	1,792	109	3,500	185	180	(256)
60	74	**BYERS COMMUNICATIONS SYSTEMS** (Atlanta)	1,787	108	28,563	1,514	(3,587)	(82)
61		**NUTRI-FOODS INT'L** (Montgomery, NY)	1,741	107	11,506	625	1,030	(39)
62	34	**DATA SWITCH** (Norwalk, CT)	1,734	107	37,000[c]	2,017	(3,480)[9]	159
63	29	**PUBLISHERS EQUIPMENT** (Carrollton, TX)	1,708	106	26,000[c]	1,438	300[c]	(746)
64	10	**ATLANTIC SOUTHEAST AIRLINES** (College Park, GA)	1,707	106	43,762	2,422	5,301	30
65		**B. L** (Boulder, CO)	1,706	106	1,824	101	(592)	13
66		**COLUMBINE EXPLORATION** (Denver)	1,699	106	2,249	125	306	(167)
67	20	**TANDON** (Chatsworth, CA)	1,661	105	400,793	22,761	29,436	1,507
68		**ACTION PACKETS** (Ocala, FL)	1,640	104	2,140	123	79	NA
69		**KELLY-JOHNSTON ENTERPRISES** (Oklahoma City)	1,610	103	94,603	5,532	(333)	270
70	4	**EMULEX** (Costa Mesa, CA)	1,594	103	80,169	4,733	11,790	514
71		**CHI-CHI'S** (Louisville)	1,561	102	161,706	9,735	16,722	957
72		**MARQUEST MEDICAL PRODUCTS** (Englewood, CO)	1,536	101	14,187	867	1,705	(26)
73	55	**POPE, EVANS & ROBBINS** (New York City)	1,535	101	196,856	12,041	1,149	371
74	36	**HCW** (Boston)	1,523	101	16,566	1,021	6,711	638
75		**INTERTRANS** (Irving, TX)	1,499	100	37,292	2,332	963	27
76	9	**ZITEL** (San Jose, CA)	1,498	100	26,371	1,650	1,323	64
77	38	**QMS** (Mobile, AL)	1,489	100	31,835	2,003	5,024	295
78	54	**TENDER LOVING CARE HEALTH** (Lake Success, NY)	1,470	99	10,409	663	(1,394)	16
79		**NELSON RESEARCH & DEVELOPMENT** (Irvine, CA)	1,430	98	3,778	247	(204)	(155)
80	23	**GENEX** (Rockville, MD)	1,398	97	34,800	2,323	7,400	128
81		**INFO DESIGNS** (Bloomfield Hill, MI)	1,381	96	2,000[c]	135	99[9]	65
82	44	**VIDEO CONNECTION OF AMERICA** (Malibu, CA)	1,359	95	4,085	280	(648)[9]	(56)
83		**INACOMP COMPUTER CENTERS** (Troy, MI)	1,351	95	60,510	4,169	1,103	160
84		**AMERICAN SOLAR KING** (Waco, TX)	1,324	94	30,706	2,157	(5,221)	(494)
85		**LOMAK PETROLEUM** (Hartville, OH)	1,317	94	20,000[c]	1,411	500[c]	(500)
86		**BOGERT OIL** (Oklahoma City)	1,263	92	14,285	1,048	1,089	(228)
87		**XEREC** (San Jose, CA)	1,261	92	157,700	11,591	838	161
88	47	**DATASOUTH COMPUTER** (Charlotte, NC)	1,258	92	18,395	1,355	1,817	131
89		**TELCO SYSTEMS** (Menlo Park, CA)	1,237	91	67,090	5,017	1,281	212
90	82	**AGS COMPUTERS** (Mountainside, NJ)	1,231	91	226,000	16,983	6,300	483
91		**TELEPICTURES** (New York City)	1,228	91	105,000[c]	7,909	9,300	429
92	15	**INFORMATION RESOURCES** (Chicago)	1,193	90	35,800	2,769	6,107	(121)
93	2	**YANKEE** (Cohasset, MA)	1,160	88	100,792	7,998	6,843	402
94	28	**ALTOS COMPUTER SYSTEMS** (San Jose, CA)	1,154	88	102,739	8,191	9,748	890
95		**VECTOR AUTOMATION** (Baltimore)	1,136	87	7,500[c]	607	(404)[9]	(428)
96		**TRANZONIC** (Cleveland)	1,135	87	48,059	3,891	2,161	358
97	59	**COMAIR** (Cincinnati)	1,113	87	32,220	2,656	2,836	(183)
98		**CARRIAGE INDUSTRIES** (Calhoun, GA)	1,103	86	75,024	6,239	4,105	(236)
99		**INFORMATION SOLUTIONS** (Englewood, CO)	1,087	86	13,043	1,099	121	81
100	32	**NOVAN ENERGY** (Boulder, CO)	1,086	86	11,180	943	(268)	(192)

NA: 12 month figure not available at press time; NM: negative return on equity; i: INC. estimate; c: company estimate; 9: nine-month figure

Shareholder Equity '84	Return on equity	No. of employees '84	'80	Acquisitions '80 - '84	Date inc.	Date public	CEO founder	CEO equity %	Business description
$ 1,341	NM	45	25	0	1978	1980	N	2	Mfr. hypothermia medical systs.
17,569	354.95	136	18	1	1978	1984	Y	13	Designer of integrated software systs.
8,000	11.85	78	7	0	1976	1981	N	8	Oil & gas development/exploration
2,156	9.00	90	17	1	1977	1980	N	6	Mfr. medical equip.
3,803	NM	175	6	2	1977	1982	Y	10	Marketer of radio paging systems
8,876	17.13	335	47	2	1976	1983	Y	10	Retailer of personal computer systs.
NA	NA	80	40	0	1978	1984	Y	3	HMO
NA	26.65	5700	49	14	1978	1984	Y	22	Operator of health care facilities
3,580[c]	NM	65	7	0	1980	1984	Y	11	Supplier of computer assets protection svcs.
5,735	NM	572	25	0	1977	1983	N	0	Supplier of svc. for telecommunication systs.
1,344	565.93	100	20	0	1976	1984	Y	21	Mfr. frozen dessert prods.
NA	NA	399	39	0	1976	1982	N	30	Mfr. data processing control systs.
9,000[c]	4.64	320	25	2	1979	1983	N	2	Re-engineering of printing presses
18,214	41.07	572	50	1	1979	1982	Y	6	Regional airline
2,626	NM	24	15	1	1978	1983	Y	15	Mfr. electronic identification systs.
1,621	20.82	17	3	0	1976	1977	N	4	Oil & gas exploration
241,850	13.88	1550	150	0	1975	1982	Y	10	Mfr. computer disk drives
1,289	57.25	35	2	0	1980	1984	Y	52	Distributor of gift shop items
52,340	NM	4500	1400	9	1980	1981	Y	9	Operator of quick-service restaurants
43,620	37.99	813	175	1	1979	1982	Y	8	Mfr. electronic communications prods.
95,291	43.84	12000	8000	3	1977	1982	Y	1	Developer/operator/franchisor of restaurants
21,068	82.33	320	30	7	1979	1983	Y	10	Supplier of medical prods. & svcs.
44,263	2.70	417	200	4	1926	1969	N	3	Mfr. protective fabrics & clothing
33,269	47.92	151	12	0	1975	1982	Y	7	Oil & gas partnerships
5,029	83.38	182	30	2	1979	1984	Y	19	International cargo transportation
11,937	58.75	135	25	1	1979	1983	Y	7	Mfr. semiconductor memory systs.
22,035	29.86	278	37	0	1977	1983	Y	22	Mfr. intelligent printing processors
2,637[c]	NM	125	15	4	1978	1983	Y	14	Provides health care svcs.
26,410	NM	33	15	0	1972	1981	Y	14	Pharmaceutical research
30,600	19.53	264	70	0	1977	1982	Y	8	Developer of prods. using genetic engineering
NA	NA	32	3	0	1980	1983	Y	51	Mfr. computer software
NA	NA	22	3	0	1979	1983	Y	63	Dist. of video prods.
14,020	45.98	275	25	3	1976	1984	Y	20	Retailer of personal computers
5,369	NM	500	90	2	1974	1980	Y	3	Mfr. solar prods.
4,000	11.53	125	22	0	1976	1980	Y	10	Oil & gas exploration
13,812	8.59	81	30	0	1979	1980	Y	54	Oil & gas exploration & prod.
74,480	1.15	1310	79	6	1974	1983	Y	35	Mfr. disk drive controllers
15,663	13.12	220	38	0	1977	1983	Y	18	Mfr. serial dot matrix impact printers
22,452	14.77	613	90	2	1972	1984	N	4	Mfr. voice frequency transmission prods.
42,017	17.89	1970	285	10	1967	1969	Y	8	Developer of custom software
NA	30.24	250	10	4	1978	1979	Y	5	Dist. TV programs & motion pictures
225	22.92	527	61	0	1977	1983	Y	21	Market research
28,928	363.60	235	75	2	1977	1982	Y	21	Oil & gas transportation & svcs.
91,028	12.13	500	57	0	1977	1982	Y	43	Mfr. of multi-user microcomputers
NA	NA	108	31	0	1980	1984	Y	24	Mfr. interactive computer graphics systs.
19,843	12.00	700	200	1	1910	1961	N	3	Mfr. feminine hygiene products
16,089	64.54	526	68	0	1977	1981	Y	16	Regional airline
8,866	86.22	510	107	0	1969	1984	N	10	Mfr. & dist. of carpets
3,790	3.26	69	10	3	1980	1983	Y	18	Dist. of database, turnkey computer systs.
2,509	NM	100	85	0	1978	1980	Y	14	Mfr. solar water heating appliances & components

Investing in Growth Companies

GRIN AND BEAR IT

Our portfolio of INC. 100 stocks is only hypothetical. Lucky for us.

BY ROBERT A. MAMIS

Readers who look forward with even modest expectations to INC.'s annual foray into the market might do better these days cheering for some other bunch. The Chicago Cubs, say; they can be equally frustrating, but at least they serve beer in the grandstand. Alas, investing in the common stocks of the country's 100 fastest-growing public companies was a losing proposition on balance for the second straight year.

Not that any real-life investor lost money. Every year, INC. reaches back 12 months to establish the basis prices at which the equities of the INC. 100 could have been bought. In practice, though, there is no way an investor could know which ones to purchase until a year later, when the annual roundup is concluded. So the exercise performed herein—purchasing $100 worth of each issue on March 1, 1984 (or on an initial public offering date during the year), then selling the portfolio a year later—is purely academic.

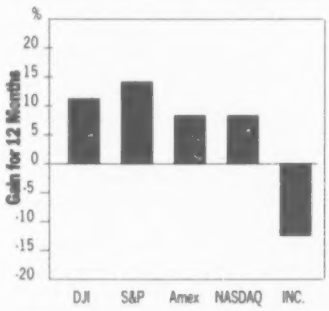
That doesn't make it any more pleasant to behold. With this year's 11% drop, INC. 100 stocks now have given up 27% of their value in the past two years. Maybe that is tolerable for a gaggle of high rollers in a bear market in which everybody throws snake eyes, but the 12 months in question this time constituted at least something of a bull market. Indeed, even the 24-month span from March 1983 to March '85 ended up generally profitable for most investors. Among other popular averages in the same two years, the Dow Jones Industrials gained 16%; the American Stock Exchange Index, 20%; and the Standard & Poor's 400—a wide sampling of established corporations—an impressive 22%, yielding more than the money market for the first time in several years. Only the NASDAQ Industrials, along with INC., suffered a collective two-year loss, but NASDAQ's was a trifling 1%, thanks to this winter's rebound of the over-the-counter market. Oddly, no fewer than 94 of the INC. 100 stocks are traded OTC, yet they fared dramatically worse than their average brothers.

It is yet more dismaying to note that on March 1, 1985—the day INC. was destined to "sell" its fanciful $10,000 portfolio at a discount of $1,142.89—the creaky Dow celebrated an all-time record, brushing against 1,300. A paltry 37 of the 100 stocks showed a 12-month profit on that day. If that sounds discouraging, readers may take some heart in noting that the sum is 10 *more* than the 27 issues that managed gains last year. But not too much heart: Despite these additional pluses, the median stock lost $22.55—a little worse than last year's median of $21.82.

Among the 37 winners, 7 were born of IPOs during the period. Only five public offerings on the INC. list ended up losing ground from their offering price—and at that, not losing as much as the median stock, save for MicroPro International (#26), which ended up in 92d place. The continuing relative strength among these toddlers might ultimately bode well for the entire body of small-capitalization stocks. But the test of that surmise will have to wait for next year's less tatterdemalion (one hopes) gathering.

Outside of the IPOs, the common stocks of a mere 30 of the remaining 88 "senior" companies met any buying demand. And more than a few issues that performed comparatively well in last year's compilation about-faced and fared comparatively poorly in this year's. That is one reason why stock-market players haven't placed much credence these days in rapid expansion of revenues: In the unstable kingdom of fast growth, fortunes granted under one regime can be confiscated by the next, almost overnight. Byers Communications Systems (#60), for example, was INC.'s leading stock-market gainer last year, up a then-enviable 148%. This year it is a leader, all right—but on the downside. After the stock's drop of nearly 90% in the past year, buyers of Byers ended up losing almost three-quarters of their investment if they held on for 24 months. Despite soaring sales, the cable television company got bogged down in cost overruns, bad debts, and contract litigation. *(continued)*

INC. vs. POPULAR AVERAGES



RELATIVE MARKET PERFORMANCE

	3/1/84	3/1/85	% gain
INC. 100	$ 100	$ 89	(11)
DJI	1,171	1,299	11
S&P 400	180	205	14
Amex	213	228	7
NASDAQ	291	311	7

Since the criteria for inclusion in the INC. 100 rule out such capital institutions as banks and holding companies, INC. pits the stock market performance of its entries against the industrial components, rather than the composites, of common stock indexes. Unlike the other averages, INC.'s "average" is reborn each year with a new group of stocks (see text), and so cannot be compared with past listings.

Prices can continue to fall rapidly while revenues continue to rise rapidly—a lose/lose trend that defies all principles of finance except the one that counts here, namely the stock market's. Healthdyne (#37), for example, on the INC. 100 four years in a row, has seen its common fall straight out of bed, from $27.08 to $3.38 since March 1983. Genex (#80) similarly shriveled from $17.94 to $6.13. True, when stocks take baths like that it is often because the cost-of-goods-sold growth rate has exceeded that of sales, but not always. Pope, Evans & Robbins (#73), a manufacturer of protective fabrics and clothing, faded by 60% in two years in the face of sizable increments in per-share earnings. So go figure.

There is at least some cause for rejoicing this year. In one industry represented on the list, all participants were able to post profits. Led by the INC. 100's top gainer, Atlantic Southeast Airlines (#64) at 213%, all five air carriers appropriately took off, posting an average gain of 76%.

Overall, however, the record is discouraging. For a gathering of cheeky growth-company kids to be beaten by the dowdy Dow in a bull market is like a major-league baseball team dropping two straight to a collection of old-timers. It oughtn't to happen, and die-hard fans know that eventually the law of averages will catch up. Until then, as any disappointed fan gets used to saying, all we can do is wait till next year. □

INC. 100 MARKET PERFORMANCE

Company (symbol/exchange)	1985 rank	3/84	3/85	$100 worth
1. Atlantic Southeast Airlines (ASAI/O)[1]	64	$6.00	$18.75	$312.50
2. Fibronics International (FBRX/O)	40	7.00	16.50	235.71
3. QMS (QMSI/O)[2]	77	7.44	15.00	201.68
4. Nutri-Foods Int'l (NUTR/O)[3]	61	4.00	7.88	196.88
5. Teleplcture (TPIX/O)	91	12.50	21.25	170.00
6. 3Com (COMS/O)[4]	22	6.00	9.88	164.58
7. Telco Systems (TELC/O)	89	12.25	20.00	163.27
8. Walker Telecommunications (WTEL/O)	13	7.50	12.13	161.67
9. Home Health Care (HHCA/O)	25	6.75	10.88	161.11
10. Endevco (ENDV/O)	9	4.88	7.63	156.41
11. IDEA (IDEA/O)[5]	47	5.83	8.75	150.00
12. Intertrans (ITRN/O)	75	5.75	8.63	150.00
13. Ungermann-Bass (UNGR/O)	7	14.25	21.25	149.12
14. Expeditors Int'l (EXPD/O)[6]	2	9.00	13.25	147.22
15. Savoy Industries (SAVO/O)	28	0.88	1.25	142.86
16. Simmons Airlines (SIMM/O)	18	7.00	9.50	135.71
17. Comair (COMR/O)[7]	97	11.43	15.50	135.63
18. Sulcus Computer (SULC/O)[3]	50	5.00	6.75	135.00
19. Marquest Medical Products (MMPI/O)	72	8.25	11.00	133.33
20. Fine Art Acquisitions (FAAA/O)	23	1.63	2.13	130.77
21. Reid-Ashman (REAS/O)	35	6.75	8.75	129.63
22. Altos Computer Systems (ALTO/O)	94	9.75	12.63	129.49
23. Collagen (CGEN/O)	16	10.25	13.25	129.27
24. Bay Pacific Health (BPHC/O)[8]	57	5.50	7.00	127.27
25. Durakon Industries (DRKN/O)[9]	39	10.50	13.25	126.19
26. Home Depot (HD/N)	33	15.75	19.75	125.40
27. Enzo Biochem (ENZO/O)	41	16.75	20.00	119.40
28. Hybritech (HYBR/O)	10	15.25	18.13	118.85
29. Bogart Oil (BOGO/O)	86	0.75	0.88	116.67
30. Action Packets (ACTN/O)[10]	68	5.50	6.38	115.91
31. Information Resources (IRIC/O)	92	27.50	31.50	114.55
32. Information Solutions (ISOL/O)	99	3.50	4.00	114.29
33. Masstor Systems (MSCO/O)	34	5.75	6.50	113.04
34. Transzonic (TNZ/A)	96	14.75	16.50	111.86
35. Ruffian (BUFF/O)	3	1.38	1.50	109.09
36. Empi (EMPI/O)	54	6.50	7.00	107.69
37. ComputerCraft (CRFT/O)	8	7.00	7.38	105.36
38. Flow'oc (FTEC/O)	14	17.75	17.25	97.18
39. Micron Technology (DRAM/O)[9]	4	14.00	13.00	92.86
40. Pinetree Computer Systems (PNTR/O)	42	1.38	1.25	90.91
41. American Healthcare Mgmt. (AHI/A)[9]	58	10.00	9.00	90.00
42. Total Assets Protection (TAPP/O)[11]	59	5.00	4.50	90.00
43. Page America Group (PAGE/O)[9]	55	2.50	2.13	85.00
44. Carriage Industries (CARG/O)[9]	98	7.00	5.88	83.93
45. BSD Medical (BSDM/O)	51	6.00	5.00	83.33
46. Avant-Garde Computing (AVGA/O)	52	16.50	13.75	83.33
47. Pope, Evans & Robbins (PER/A)	73	7.13	5.88	82.46
48. Fuddruckers (FUDD/O)	15	13.50	11.13	82.41
49. Inacomp Computer Centers (INAC/O)	83	8.75	7.13	81.43
50. Servamatic Systems (SSSI/O)	32	3.00	2.38	79.17
51. StarTel (STAS/O)	44	4.13	3.13	75.76
52. Centel (CENT/O)	45	2.38	1.75	73.68
53. U. S. Design (USDC/O)	17	6.63	4.88	73.58
54. C. P. Rehab (CRHB/O)	49	12.50	9.00	72.00
55. Plains Resources (PLNS/O)	53	2.63	1.88	71.43
56. Quest Medical (QMED/O)	48	5.75	4.00	69.57
57. Nelson Research & Develop. (NELR/O)	79	12.75	8.75	68.63
58. TVI Energy (TVIE/O)	31	1.75	1.188	67.86
59. Ziyad (ZIAD/O)	21	11.50	7.50	65.22
60. Lomak Petroleum (LOMK/O)	85	1.25	0.813	65.00
61. Micro D (MCRD/O)	38	8.00	5.13	64.06
62. AGS Computers (AGSC/O)	90	22.25	14.00	62.92
63. Telstar (TSTR/O)	29	0.25	0.16	62.50
64. B. L (BIAC/O)	65	0.25	0.16	62.50
65. Dataworth Computer (DSCC/O)	88	7.00	4.25	60.71
66. Corvus Systems (CRVS/O)	46	6.88	4.13	60.00
67. Convergent Technologies (CVGT/O)	1	17.50	10.50	60.00
68. Chi-Chi's (CHIC/O)	71	19.25	11.25	58.44
69. Emdex (EMLX/O)	70	19.50	10.75	55.13
70. American Solar King (AMSK/O)	84	6.88	3.75	54.55
71. Kaypro (KPRO/O)	30	7.38	4.00	54.24
72. HCW (HCWO/O)	74	10.25	5.25	51.22
73. Zitel (ZITL/O)	76	9.00	4.50	50.00
74. Video Connection of America (VIDC/O)	82	2.00	1.00	50.00
75. Yankee (YNK/A)	93	14.13	6.876	48.67
76. Genex (GNEX/O)	80	13.00	6.13	47.12
77. Publishers Equipment (PECN/O)	63	6.25	2.88	46.00
78. Tender Loving Care (TLCI/O)	78	7.13	3.25	45.61
79. Automatix (AITX/O)	27	16.50	7.50	45.45
80. Helm Resources (H/A)	43	2.13	0.94	44.12
81. Xebec (XEBC/O)	87	14.75	6.50	44.07
82. Hogan Systems (HOGN/O)	20	14.88	6.50	43.70
83. Tandon (TCOR/O)	67	15.75	6.75	42.86
84. CompuShop (CSHP/O)	56	9.25	3.75	40.54
85. Consul Restaurants (CNSL/O)	19	13.88	5.50	39.64
86. Lee Data (LEDA/O)	6	17.00	6.63	38.97
87. G. D. Ritzy's (RITZ/O)	12	6.50	2.50	38.46
88. Zytrex (ZMOS/O)	36	5.75	2.06	35.87
89. Data Switch (DASW/O)	62	22.00	7.75	35.23
90. Protocol Computers (PCII/O)	24	7.25	2.50	34.48
91. Healthdyne (HDYN/O)	37	12.25	3.38	27.55
92. MicroPro International (MPRO/O)[4]	26	10.50	2.75	26.19
93. Columbine Exploration (COLX/O)	66	0.63	0.16	25.00
94. Novan Energy (NOVN/O)	100	0.25	0.06	25.00
95. Vector Automation (VCTA/O)	95	4.75	1.13	23.68
96. Satelco (STEL/O)	5	4.00	0.88	21.88
97. Info Designs (INFO/O)	81	6.00	1.25	20.83
98. One Potato Two (SPUD/O)	11	11.50	1.63	14.13
99. Kelly-Johnston Enterprises (KEJO/O)	69	8.13	1.06	13.08
100. Byers Commun. Syste. (BYCM/O)[12]	60	13.00	1.38	10.58

[1]3:2 split, 11/84; [2]2:1 split, 9/84; [3]first public 4/84; [4]first public 3/84; [5]3:2 split, 9/84; [6]first public 9/84; [7]5% stock div., 10/84; [8]first public 11/84; [9]first public 8/84; [10]first public 12/84; [11]first public 5/84; [12]3:2 split, 3/84